

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

ALLIANCE GAMING CORPORATION

(Registration)

TWENTY-SECOND REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on December 1, 2004, and before the Nevada Gaming Commission ("Commission") on December 16, 2004, in Carson City, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the following application, as amended and supplemented, has been filed:
 - a. The application of Alliance Gaming Corporation for an amendment to its Order of Registration
2. THAT the Twenty-First Revised Order of Registration of Alliance Gaming Corporation dated June 17, 2004, is hereby amended and restated, in its entirety, by this Twenty-Second Revised Order of Registration.
3. THAT Alliance Gaming Corporation is registered as a publicly traded corporation and is found suitable as the sole shareholder of Alliance Holding Company and Casino Electronics, Inc.

4. THAT Alliance Holding Company is registered as an intermediary company and found suitable as the sole shareholder of Bally Gaming International, Inc ("BGII").

5. THAT BGII is registered as an intermediary company and found suitable as the sole shareholder of Bally Gaming, Inc.

6. THAT Bally Gaming, Inc., is licensed as a manufacturer, distributor, and operator of a slot machine route, subject to such conditions or limitations as may be imposed by the Commission.

7. THAT Casino Electronics, Inc., is licensed as a manufacturer, distributor, and operator of a slot machine route, subject to such conditions or limitations as may be imposed by the Commission.

8. THAT Alliance Gaming Corporation is granted approval, pursuant to NRS 463.510(1) and NGC Regulations 8.030 and 15.585.7-2, as appropriate, to pledge the equity securities of Casino Electronics, Inc., and Alliance Holding Company to Bank of America, N.A., as Secured Party, in conjunction with a Loan Agreement, dated September 5, 2003, (the "Loan Agreement") provided that:

a. The pledge is pursuant to the fully executed Facilities Pledge Agreement, dated September 5, 2003 (the "Pledge Agreement");

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Alliance Gaming Corporation) and before any other resort to the collateral or other enforcement of a security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Casino Electronics, Inc., and Alliance Holding Company evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

9. THAT in conjunction with the Loan Agreement and the Pledge Agreement, Alliance Gaming Corporation is granted approval, pursuant to NGC Regulation 15.510.1-4 and 15.585.7-3, as appropriate, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Alliance Holding Company and Casino Electronics, Inc.

10. THAT Alliance Holding Company is granted approval, pursuant to NGC Regulations 8.030 and 15.585.7-2, as appropriate, to pledge the equity securities of BGII to Bank of America, N.A., as Secured Party, provided that:

- a. The pledge is pursuant to the fully executed Pledge Agreement;
- b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Alliance Holding Company) and before any other resort to the collateral or other enforcement of a security interest in such securities, may occur; and
- c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of BGII evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

11. THAT in conjunction with the Loan Agreement and the Pledge Agreement, Alliance Holding Company is granted approval, pursuant to NGC Regulation 15.585.7-3, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of BGII.

12. THAT BGII is granted approval, pursuant to NRS 463.510(1) and NGC Regulation 8.030, to pledge the equity securities of Bally Gaming, Inc., to Bank of America, N.A., as Secured Party, provided that:

- a. The pledge is pursuant to the fully executed Pledge Agreement;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of a possessory security interest in such securities (except back to BGII) and before any other resort to the collateral or other enforcement of a security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Bally Gaming, Inc., evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

13. THAT in conjunction with the Loan Agreement and the Pledge Agreement, BGII is granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Bally Gaming, Inc.

14. THAT the Pledge Agreement shall not be amended without the prior administrative approval of the Chairman of the Board, or his designee. Such administrative approval may not be granted regarding amendments to the Pledge Agreement that increase the number of shares of equity securities that are the subject of the Pledge, or that change the identity of the Secured Party.

15. THAT Alliance Gaming Corporation shall maintain a Gaming Compliance Plan ("Plan") for the purpose of, at a minimum, performing due diligence, determining the suitability of relationships with other entities and individuals, and to review and ensure compliance by Alliance Gaming Corporation, its subsidiaries and any affiliated entities, with the Nevada Gaming Control Act (the "Act"), as amended, the Commission's Regulations (the "Regulations"), as amended, and the laws and regulations of any other jurisdictions in which Alliance Gaming Corporation, its subsidiaries and any affiliated entities operate. The Plan, any amendments thereto, and the members of the gaming compliance committee, one such member who shall be

independent and knowledgeable in the Act and Regulations, shall be administratively reviewed and approved by the Chairman of the Board or his designee. Furthermore, upon request of the Chairman of the Board or his designee, Alliance Gaming Corporation shall amend the Plan, or any element thereof, and perform such duties as may be assigned by the Chairman of the Board or his designee related to a review of activities relevant to the continuing qualification of Alliance Gaming Corporation, under the provisions of the Act and Regulations.

16. THAT Alliance Gaming Corporation shall fund and maintain with the Board a revolving fund in the amount of \$25,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order of Registration. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of said account for the payment of costs and expenses incurred by the Board and its staff in the surveillance, monitoring and investigative review of all activities of Alliance Gaming Corporation, its direct and indirect subsidiaries, and their affiliated entities.

17. THAT pursuant to NRS 463.625, Alliance Gaming Corporation is exempted from compliance with subsections 1, 2, 6 and 7 of NRS 463.585, and NRS 463.595 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through 463.645, inclusive.

18. THAT Alliance Gaming Corporation is exempted from NGC Regulation 15, except for the provisions of NGC Regulations 15.585.3-1, 15.585.3-2 and 15.585.4-1, and shall instead comply with NGC Regulation 16.

19. THAT the Commission hereby expressly finds that the exemptions granted hereinabove are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED in Carson City, Nevada, this 16th day of December 2004.